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## IN THE SENATE

## SENATE BILL NO. 1144

## BY STATE AFFAIRS COMMITTEE

AN ACT RELATING TO EMPOWERING PARENTS; AMENDING SECTION 33-1030, IDAHO CODE, TO DEFINE TERMS AND TO REVISE DEFINITIONS; AMENDING SECTION 33-1031, IDAHO CODE, TO ESTABLISH A TUITION GRANT PROGRAM AND TO REVISE PROVISIONS REGARDING CERTAIN GRANTS; AMENDING SECTION 33-1032, IDAHO CODE, TO REMOVE DEFINITIONS AND TO REVISE LANGUAGE REGARDING A PARENT ADVISORY PANEL; AMENDING SECTION 33-1033, IDAHO CODE, TO REQUIRE REPORTING AND EVALUATIONS BY THE STATE DEPARTMENT OF EDUCATION; AMENDING SECTION 33-1034, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE EMPOWERING PARENTS GRANT PROGRAM FUND; REPEALING SECTION 33-1030, IDAHO CODE, RE-LATING TO DEFINITIONS; REPEALING SECTION 33-1031, IDAHO CODE, RELATING TO THE EMPOWERING PARENTS GRANT PROGRAM; REPEALING SECTION 33-1032, IDAHO CODE, RELATING TO THE PARENT ADVISORY PANEL; REPEALING SECTION 33-1033, IDAHO CODE, RELATING TO REPORTS AND EVALUATIONS; REPEALING SECTION 33-1034, IDAHO CODE, RELATING TO THE EMPOWERING PARENTS GRANT PROGRAM FUND; AMENDING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-1030, IDAHO CODE, TO DEFINE TERMS; AMENDING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-1031, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING AN EMPOWERING PARENTS GRANT PROGRAM; AMENDING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-1032, IDAHO CODE, TO PROVIDE FOR A PARENT ADVISORY PANEL; AMENDING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-1033, IDAHO CODE, TO PROVIDE FOR A CERTAIN REPORT AND EVALUA-TION; AMENDING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-1034, IDAHO CODE, TO ESTABLISH AN EMPOWERING PARENTS GRANT PROGRAM FUND; AND DECLARING AN EMERGENCY AND PROVIDING EFFECTIVE DATES.

27 Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 33-1030, Idaho Code, be, and the same is hereby amended to read as follows:

- 33-1030. DEFINITIONS. As used in this section through section 33-1034, Idaho Code:
- (1) "Assessment" means an examination or another objective evaluation of a student's academic performance, academic engagement, or college or career readiness.
  - (2) "Board Department" means the state board department of education.
  - (3) "Eligible education expenses" means:
  - (a) Computer hardware, internet access, or other technological devices or services that are primarily used to meet a participant's educational needs;
  - (b) Textbooks, curriculum, or other instructional materials, including educational software and applications;

(c) Fees for national standardized assessments, advanced placement examinations, examinations related to college or university admissions, or industry-recognized certification examinations;

- (d) Therapies, including but not limited to occupational, behavioral, physical, speech-language, and audiology therapies, or other services or therapies specifically approved by the board department;
- (e) Educational programs offered for a fee or pursuant to contract by a school district, public charter school, or career technical education program to nonpublic students, provided that such students may not be counted for purposes of calculating public school enrollment; or
- (f) Transportation of an eligible student to and from a facility where an eligible educational program is offered, including the use of privately owned vehicles, which reimbursement shall use the annual United States general services administration private vehicle mileage rate, public transportation services, carpools, and ridesharing fees and expenses; or
- (g) Other education expenses and services as approved by the board department, upon recommendation of the parent advisory panel established pursuant to section 33-1032, Idaho Code.
- (4) "Eligible student" means a person in kindergarten through grade 12, whether a public school or nonpublic school student.
- (5) "Grant" means an award of one thousand dollars (\$1,000), which must be used for eligible education expenses.
- $\frac{(6)}{(5)}$  "Grant distribution platform" means a digital platform through which grant funds are transferred from the  $\frac{1}{2}$  department to participant accounts.
- (6) "Micro grant" means an award of one thousand dollars (\$1,000), which shall be used for eligible education expenses.
- (7) "Parent" means the parent or legal guardian of an eligible student or a participant.
- (8) "Participant" means an eligible student for whom a grant is awarded under section 33-1031, Idaho Code.
- (9) "Program" means the empowering parents grant program established by section 33-1031, Idaho Code.
- (10) "Tuition grant" means an award of six thousand dollars (\$6,000) that shall be used for academic instruction, including online instruction by a nonpublic school or the retention of certified Idaho educators for the purpose of academic instruction. "Academic instruction" means, at a minimum, teaching English language arts, mathematics, science, and social studies, or an academic program approved by the department upon recommendation of the parent advisory panel established pursuant to section 33-1032, Idaho Code.
- SECTION 2. That Section 33-1031, Idaho Code, be, and the same is hereby amended to read as follows:
- 33-1031. EMPOWERING PARENTS GRANT PROGRAM. (1) There is hereby established the empowering parents grant program, which includes a tuition grant program described in subsection (7) of this section, to be administered by the board department according to the provisions of this section. The purpose of the program is to provide education grants for eligible students.
  - (2) In order to administer the program, the board department:

- (a) Shall create and administer, or designate a third party to create and administer, a grant distribution platform <u>for both micro grants and tuition grants;</u>
- (b) Shall establish a grant application process for parents <u>for both</u> micro grants and tuition grants;
- (c) Shall, subject to appropriation, award grants. Grant Micro grant awards shall be made in the following order of preference:
  - (i) First to eligible students whose household has an adjusted gross income under sixty thousand dollars (\$60,000), as verified by the Idaho state tax commission using the prior year's tax returns. Notification of grant awards for students in this category shall be made within thirty (30) days of application, and grant funds shall be made available for participants' use as soon as practicable, but no later than thirty (30) days after the notification of a grant award;
  - (ii) Starting sixty (60) days after grant awards in a fiscal year are made under subparagraph (i) of this paragraph, to eligible students whose household has an adjusted gross income under seventy-five thousand dollars (\$75,000), as verified by the Idaho state tax commission using the prior year's tax returns; and
  - (iii) Starting sixty (60) days after grant awards in a fiscal year are made under subparagraph (ii) of this paragraph, to all other eligible students on a first-come, first-served basis until all available funds are distributed; and
- (d) May take such other actions as are necessary to implement and enforce the provisions of this section.
- (3) Providers of eligible education expenses shall provide such products and services at competitive market rates.
- (4) Prior to the award of a grant, the parent of a participant shall agree to verify program compliance. The parent of a participant shall use grant funds only for eligible education expenses. If a parent is found to misuse grant funds, then neither the parent nor another parent of the student living in the same household may apply for a grant in the future for any student, provided that the parent may appeal the finding to the board department.
- (4) Grant (5) Micro grant and tuition grant funds shall be expended within two (2) years after they are awarded. Any unused funds at the end of the two (2) year period shall revert to the empowering parents grant program fund established in section 33-1034, Idaho Code.
- (5) Grant (6) Micro grant awards per family shall be capped at three thousand dollars (\$3,000), regardless of the number of eligible students in the family.
- (7) An eligible student may apply for a tuition grant on an annual basis. The tuition grant process shall be governed by the following provisions:
  - (a) The department shall approve no more than two thousand (2,000) eligible student tuition grant applications each year.
  - (b) Tuition grant awards shall be prioritized according to the eligible student's household adjusted gross income level, with the lowest household adjusted gross income levels receiving priority.

- (c) An eligible student that receives a tuition grant may not receive any other grant for any other eligible education expenses under this section in the same year.
- (d) The application period shall be open from January 1 to April 1. Notification of tuition grant awards shall be made on or before May 1.
- (e) Tuition grant funds shall be dispersed on a quarterly basis. The parent of an eligible student receiving a tuition grant award must inform the department when the tuition grant is no longer needed for the purpose of tuition. If a parent or eligible student is found to misuse tuition grant funds, then neither the parent nor eligible student living in the same household may apply for a tuition grant in the future for any student. The parent or eligible student may appeal a finding of misuse of funds to the department.
- (f) The department shall ensure that parents of eligible students with disabilities receive notice that participation in the tuition grant program is a parental placement under 20 U.S.C. 1412, individuals with disabilities education act (IDEA), and an explanation of the rights that parentally placed students possess under IDEA and any applicable state laws and regulations.
- (g) Prior to the 2028 legislative session of the Idaho legislature, the department shall review the tuition grant process and provide a report to the Idaho legislature assessing the tuition grant sustainability, accountability, and participant outcomes and recommend improvements, if any.
- (8) Grant and tuition grant funds do not constitute taxable income to a parent or a student.
- (9) Independence of nonpublic schools participating in tuition grants is reaffirmed as follows:
  - (a) Nothing in the empowering parents grant program shall be deemed to limit the independence or autonomy of a nonpublic school to make the actions of a nonpublic school the actions of the state government;
  - (b) Nonpublic schools shall be given maximum freedom to provide for the educational needs of tuition grant students consistent with this section;
  - (c) Nothing in the empowering parents grant program shall be construed to expand the regulatory authority of the state, its officers, or any school district to impose any additional regulation of schools and programs beyond those necessary to administer the requirements of the program; and
  - (d) A nonpublic school that accepts a tuition grant payment pursuant to the empowering parents grant program is not an agent of the state or federal government.
- (10) The department shall perform the functions necessary for the administration of the empowering parents grant program, including:
  - (a) Establishing or contracting for the establishment of an online anonymous fraud reporting service;
  - (b) Establishing an anonymous telephone hotline for fraud reporting;
  - (c) Requiring a surety bond for nonpublic schools receiving more than one hundred thousand dollars (\$100,000) in tuition grant funds; and

- (d) Refunding payments from schools and programs back to the empowering parents grant program fund established in section 33-1034, Idaho Code.
- (11) The department shall have the authority to refer suspected cases of intentional and substantial misuse of empowering parents grant funds to the attorney general for investigation.

- SECTION 3. That Section 33-1032, Idaho Code, be, and the same is hereby amended to read as follows:
  - 33-1032. PARENT ADVISORY PANEL. (1) For purposes of this section:
  - (a) "Executive director" means the executive director of the office of the state board of education.
  - (b) "Program funds" means funds distributed to parents pursuant to section 33-1031, Idaho Code.
- (2) (1) There is hereby established in the office of the state board department of education a parent advisory panel, which shall make recommendations to the board:
  - (a) As described in section 33-1030(3)(f), Idaho Code; and
  - (b) On department on how to implement, administer, and improve the program described in section 33-1031, Idaho Code.
- Three (3) members shall be appointed by the governor, two (2) members shall be appointed by the president pro tempore of the senate, and two (2) members shall be appointed by the speaker of the house of representatives. The members must be parents of eligible students, with preference given to parents who have applied for program funds or who, for the initial appointment of the panel, have indicated their intent to apply for program funds, and parents who intend to or shall use the grant program for nonpublic school tuition, homeschooling, micro-schools, or the retention of certified teachers for cooperative teaching. Members of the panel shall represent different regions of the state. Members shall serve one (1) year terms at the pleasure of their appointing authority and may be reappointed if they meet the eligibility criteria described in this subsection. The executive director or the executive director's designee shall serve as the nonvoting chair of the parent advisory panel.
- (4) At the request of the board, the The parent advisory panel shall meet, in person or virtually, to discuss and make recommendations as described in subsection (2) of this section regarding the grant process. The department shall provide administrative support for the parent advisory panel.
- (5) If a parent appeals a finding that program funds were used for a purpose other than eligible education expenses, then the panel shall meet to consider the appeal and recommend a decision on the appeal to the board.
- SECTION 4. That Section 33-1033, Idaho Code, be, and the same is hereby amended to read as follows:
- 33-1033. REPORT AND EVALUATION. (1) By December 15 of each year, the  $\frac{1}{2}$  department shall report to the governor and the senate and house of representatives education committees:

- (a) The total funds appropriated for the empowering parents grant program in the current fiscal year and the prior fiscal year;
- (b) The number of applicants for the program in the current fiscal year and the prior fiscal year;
- (c) The number of grants awarded in the current fiscal year and the prior fiscal year and how grant funds were used by participants; and
- (d) Other matters concerning the program that are:
  - (i) Considered relevant by the board department; or
  - (ii) Specifically requested for inclusion in the report by the governor or by any member of the senate or the house of representatives.
- (2) By June 30, 2024, and every two (2) years thereafter, the board department shall designate a third party to evaluate the program. The evaluation shall be conducted according to criteria set by the board department, the senate and house of representatives education committees, and the joint finance-appropriations committee.
- SECTION 5. That Section 33-1034, Idaho Code, be, and the same is hereby amended to read as follows:
- 33-1034. EMPOWERING PARENTS GRANT PROGRAM FUND. There is hereby established in the state treasury the empowering parents grant program fund, which includes a tuition grant program, to be administered by the board department. Moneys in the fund shall:
  - (1) Consist of the following:

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- (a) Legislative appropriations;
- (b) Donations and contributions made to the fund; and
- (c) Interest earned on idle moneys in the fund;
- (2) Be continuously appropriated for the purpose described in subsection (3) of this section; and
- 29 (3) Be used to pay grants awarded under the empowering parents grant 30 program.
- SECTION 6. That Section 33-1030, Idaho Code, be, and the same is hereby repealed.
- 33 SECTION 7. That Section 33-1031, Idaho Code, be, and the same is hereby repealed.
- SECTION 8. That Section 33-1032, Idaho Code, be, and the same is hereby repealed.
- SECTION 9. That Section 33-1033, Idaho Code, be, and the same is hereby repealed.
- SECTION 10. That Section 33-1034, Idaho Code, be, and the same is hereby repealed.
- SECTION 11. That Chapter 10, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 33-1030, Idaho Code, and to read as follows:

- 33-1030. DEFINITIONS. As used in this section through section 33-1034, Idaho Code:
- (1) "Assessment" means an examination or another objective evaluation of a student's academic performance, academic engagement, or college or career readiness.
  - (2) "Department" means the state department of education.
  - (3) "Eligible education expenses" means:

- (a) Computer hardware, internet access, or other technological devices or services that are primarily used to meet a participant's educational needs;
- (b) Textbooks, curriculum, or other instructional materials, including educational software and applications;
- (c) Fees for national standardized assessments, advanced placement examinations, examinations related to college or university admissions, or industry-recognized certification examinations;
- (d) Therapies, including but not limited to occupational, behavioral, physical, speech-language, and audiology therapies, or other services or therapies specifically approved by the department;
- (e) Educational programs offered for a fee or pursuant to contract by a school district, public charter school, or career technical education program to nonpublic students, provided that such students may not be counted for purposes of calculating public school enrollment;
- (f) Transportation of an eligible student to and from a facility where an eligible educational program is offered, including the use of privately owned vehicles, which reimbursement shall use the annual United States general services administration private vehicle mileage rate, public transportation services, carpools, and ridesharing fees and expenses; or
- (g) Other education expenses and services as approved by the department, upon recommendation of the parent advisory panel established pursuant to section 33-1032, Idaho Code.
- (4) "Eligible student" means a person in kindergarten through grade 12, whether a public school or nonpublic school student.
- (5) "Grant" means an award of one thousand dollars (\$1,000), which must be used for eligible education expenses.
- (6) "Grant distribution platform" means a digital platform through which grant funds are transferred from the department to participant accounts.
- (7) "Parent" means the parent or legal guardian of an eligible student or a participant.
- (8) "Participant" means an eligible student for whom a grant is awarded under section 33-1031, Idaho Code.
- (9) "Program" means the empowering parents grant program established by section 33-1031, Idaho Code.
- SECTION 12. That Chapter 10, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a  $\underline{\text{NEW SECTION}}$ , to be known and designated as Section 33-1031, Idaho Code, and to read as follows:
- 33-1031. EMPOWERING PARENTS GRANT PROGRAM. (1) There is hereby established the empowering parents grant program, to be administered by the de-

partment according to the provisions of this section. The purpose of the program is to provide education grants for eligible students.

(2) In order to administer the program, the department:

- (a) Shall create and administer, or designate a third party to create and administer, a grant distribution platform;
- (b) Shall establish a grant application process for parents;
- (c) Shall, subject to appropriation, award grants. Grant awards shall be made in the following order of preference:
  - (i) First to eligible students whose household has an adjusted gross income under sixty thousand dollars (\$60,000), as verified by the Idaho state tax commission using the prior year's tax returns. Notification of grant awards for students in this category shall be made within thirty (30) days of application, and grant funds shall be made available for participants' use as soon as practicable, but no later than thirty (30) days after the notification of a grant award;
  - (ii) Starting sixty (60) days after grant awards in a fiscal year are made under subparagraph (i) of this paragraph, to eligible students whose household has an adjusted gross income under seventy-five thousand dollars (\$75,000), as verified by the Idaho state tax commission using the prior year's tax returns; and
  - (iii) Starting sixty (60) days after grant awards in a fiscal year are made under subparagraph (ii) of this paragraph, to all other eligible students on a first-come, first-served basis until all available funds are distributed; and
- (d) May take such other actions as are necessary to implement and enforce the provisions of this section.
- (3) Providers of eligible education expenses shall provide such products and services at competitive market rates.
- (4) Prior to the award of a grant, the parent of a participant shall agree to verify program compliance. The parent of a participant shall use grant funds only for eligible education expenses. If a parent is found to misuse grant funds, then neither the parent nor another parent of the student living in the same household may apply for a grant in the future for any student, provided that the parent may appeal the finding to the department.
- (5) Grant funds shall be expended within two (2) years after they are awarded. Any unused funds at the end of the two (2) year period shall revert to the empowering parents grant program fund established in section 33-1034, Idaho Code.
- (6) Grant awards per family shall be capped at three thousand dollars (\$3,000), regardless of the number of eligible students in the family.
- (7) Grant funds do not constitute taxable income to a parent or a student.
- (8) The department shall have the authority to refer suspected cases of intentional and substantial misuse of empowering parents grant funds to the attorney general for investigation.

SECTION 13. That Chapter 10, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a  $\underline{\text{NEW SECTION}}$ , to be known and designated as Section 33-1032, Idaho Code, and to read as follows:

33-1032. PARENT ADVISORY PANEL. (1) There is hereby established in the department of education a parent advisory panel, which shall make recommendations to the department on how to implement, administer, and improve the program described in section 33-1031, Idaho Code.

- (2) The parent advisory panel shall consist of seven (7) members. Three (3) members shall be appointed by the governor, two (2) members shall be appointed by the president pro tempore of the senate, and two (2) members shall be appointed by the speaker of the house of representatives. The members must be parents of eligible students, with preference given to parents who have applied for program funds or who, for the initial appointment of the panel, have indicated their intent to apply for program funds. Members of the panel shall represent different regions of the state. Members shall serve one (1) year terms at the pleasure of their appointing authority and may be reappointed if they meet the eligibility criteria described in this subsection.
- (3) The parent advisory panel shall meet, in person or virtually, to discuss and make recommendations as described in subsection (2) of this section regarding the grant process. The department shall provide administrative support for the parent advisory panel.
- SECTION 14. That Chapter 10, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a  $\underline{\text{NEW SECTION}}$ , to be known and designated as Section 33-1033, Idaho Code, and to read as follows:
- 33-1033. REPORT AND EVALUATION. (1) By December 15 of each year, the department shall report to the governor and the senate and house of representatives education committees:
  - (a) The total funds appropriated for the empowering parents grant program in the current fiscal year and the prior fiscal year;
  - (b) The number of applicants for the program in the current fiscal year and the prior fiscal year;
  - (c) The number of grants awarded in the current fiscal year and the prior fiscal year and how grant funds were used by participants; and
  - (d) Other matters concerning the program that are:
    - (i) Considered relevant by the department; or
    - (ii) Specifically requested for inclusion in the report by the governor or by any member of the senate or the house of representatives.
- (2) By June 30, 2029, and every two (2) years thereafter, the department shall designate a third party to evaluate the program. The evaluation shall be conducted according to criteria set by the department, the senate and house of representatives education committees, and the joint finance-appropriations committee.
- SECTION 15. That Chapter 10, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a  $\underline{\text{NEW SECTION}}$ , to be known and designated as Section 33-1034, Idaho Code, and to read as follows:
- 33-1034. EMPOWERING PARENTS GRANT PROGRAM FUND. There is hereby established in the state treasury the empowering parents grant program fund, to be administered by the department. Moneys in the fund shall:

(1) Consist of the following:

- (a) Legislative appropriations;
- (b) Donations and contributions made to the fund; and
- (c) Interest earned on idle moneys in the fund;
- (2) Be continuously appropriated for the purpose described in subsection (3) of this section; and
- (3) Be used to pay grants awarded under the empowering parents grant program.

SECTION 16. An emergency existing therefor, which emergency is hereby declared to exist, Sections 1 through 5 of this act shall be in full force and effect on and after July 1, 2023, and Sections 6 through 15 of this act shall be in full force and effect on and after July 1, 2029.